



State Government Administration Committee

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09500HB5755ham001

LRB095 19964 JAM 47946 a

1 AMENDMENT TO HOUSE BILL 5755

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 5755 by replacing  
3 everything after the enacting clause with the following:

4 "Section 1. Short title. This Act may be cited as the  
5 Community Capital Development Act.

6 Section 5. Purpose. The intent of this Act is to facilitate  
7 the creation of partnerships among community organizations,  
8 local banks, and the communities they serve.

9 Section 10. Administration. This Act shall be administered  
10 by the State Treasurer of Illinois.

11 Section 15. Use of State deposits. The Treasurer of the  
12 State of Illinois shall make available for deposit, from the  
13 General Revenue Fund, the amount of one billion dollars for  
14 Illinois Banks with assets of less than five hundred million

1 dollars. These funds shall be held in one-year certificates of  
2 deposit.

3 The Treasurer shall deposit in each participating bank an  
4 amount equal to 10% of the bank's total assets. The funds shall  
5 be used to secure or create revolving lines of credit for  
6 non-profit community-based organizations qualifying under  
7 Section 501(c) (3) of the Internal Revenue Code.

8 Once approved as a participant in the program, each bank  
9 shall be eligible to participate for 5 years. At the end of 5  
10 years, if the bank's assets remain under five hundred million  
11 dollars, the bank is then eligible to reapply to the Treasurer  
12 for continued participation.

13 Section 20. Credit line. Each eligible organization's  
14 credit line shall be limited to 50% of its previous year's  
15 revenues as reported on its IRS form 990, with a cap of five  
16 million dollars.

17 Section 25. Credit line interest rate. The interest rate on  
18 revolving lines of credit shall be capped at 300 basis points  
19 above the one-year rate paid on certificates of deposit.

20 Section 30. Use of credit line. Funds from the credit line  
21 may be used by organizations for, but need not be limited to,  
22 any of the following purposes:

23 (1) General operating funds.

1           (2) Special projects (i.e., capacity building, special  
2 purchases).

3           Section 35. Participation criteria. To participate,  
4 community-based organizations must meet the following  
5 guidelines:

6           (1) Be legally eligible to conduct business in the  
7 State of Illinois for the previous 2 years.

8           (2) Have 501(c)(3) Status with the IRS.

9           (3) Be in good standing with the Illinois Attorney  
10 General and the Secretary of State at the time of the  
11 award.

12           (4) Show reasonable ability to repay the loan with  
13 sufficient revenue sources to support outstanding debt.

14           Section 40. Conflicting provisions. If this Act conflicts  
15 with any State law or rule that prohibits the use of State  
16 funding for the purpose of purchasing real property to allow  
17 community-based and faith-based organizations (at their  
18 discretion) to use any or all portions of any State contract or  
19 grant earmarked for rent for mortgage or installment payments,  
20 the provisions of this Act control.

21           Section 99. Effective date. This Act takes effect upon  
22 becoming law."